

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad 'SM' Bench, Hyderabad

Before Shri Manjunatha G., Accountant Member
and
Shri Ravish Sood, Judicial Member

आ.अपी.सं /**ITA No.1841/Hyd/2025**
(निर्धारण वर्ष /Assessment Year:2016-17)

Ameenamma Charitable Trust, Anantapur. PAN: AAETA7403P	Vs.	Income Tax Officer (Exemption) Ward – Tirupati.
(Appellant)		(Respondent)
निर्धारिती द्वारा/Assessee by:	Shri KA Sai Prasad, CA	
राजस्व द्वारा/Revenue by:	Shri K Vamsi Krishna, Sr.AR	
सुनवाई की तारीख/Date of Hearing:	04/02/2026	
घोषणा की तारीख/Date of Pronouncement:	20/02/2026	

आदेश / ORDER

PER. RAVISH SOOD, J.M:

The present appeal filed by the assessee trust is directed against the order passed by the Additional/Joint Commissioner of Income Tax (Appeals)-1, Chennai, dated 03/10/2025, which in turn arises from the order passed by the Income Tax Officer, Exemption Ward, Tirupati (for short, "AO") under section 143(3) of the Income Tax Act, 1961 (for short, "the Act"), dated 14/12/2018 for the Assessment Year (AY) 2016-17. The assessee has assailed the impugned order of the CIT(A) on the following grounds of appeal:

“1. The order u/s 250 of the Act by the Ld. Commissioner of Income Tax (Appeals) is not correct either on facts or in law, and is therefore liable to be set aside.

2. The Ld. Commissioner (Appeals) erred in dismissing the exemption claim u/s 11 merely for delay in filing Form No. 10, without appreciating that the appellant had already sought and obtained condonation of such delay from the Ld. Commissioner of Income Tax (Exemptions) through a speaking order, and once condonation is granted by the competent authority, the exemption cannot be denied on procedural grounds.

3. The Ld. Commissioner (Appeals) is not justified in upholding the addition of Rs. 11,78,000/- u/s 115BBC as anonymous donations ignoring the complete donor details furnished during the appellate proceedings.

4. The appellant craves leave to add, alter, amend or withdraw any of the above grounds at the time of hearing.”

2. Succinctly stated, the assessee, a Trust, which is registered under section 12AA of the Act, vide the order of the CIT(E), Hyderabad, in F.No.CIT(E)/Hyd/37(7)/12A&80G/2015-16, dated 30/12/2015, had filed its return of income for AY 2016-17 on 18/09/2016, declaring an income of Rs. NIL, after claiming exemption under section 11 of the Act. Subsequently, the case of the assessee company was selected for scrutiny assessment under section 143(2) of the Act.

3. During the course of the assessment proceedings, the AO observed that the assessee Trust during the subject year, i.e., AY 2016-17 had accumulated an amount of Rs.8,50,111/-. It was observed by him that as per the provisions of section 11(1) of the Act, the assessee trust was entitled to accumulate 15% of its gross income, which amounted to Rs.1,76,700/-. Accordingly, the AO observed that there was an excess

accumulation over and above the eligible 15% of the gross income amounting to Rs.6,74,111/-. The AO observed that in order to accumulate the amount in excess of 15% of the gross income, the Trust, claiming exemption under section 11 of the Act, needs to comply with the provisions of section(s) 11(2) & 13(9) of the Act, and Rule 17 of the Income Tax Rules, 1962, whereby it was required to file the prescribed Form-10 within the due date specified, i.e., the due date specified in section 139(1) of the Act. However, the AO observed that the assessee Trust had filed the Form-10 on 25/09/2017, which was after the due date specified. The AO further observed that as per the provisions of section 13(9) of the Act, the benefit of accumulation in accordance with the provisions of section 11(2) shall not be allowed when any one of the prescribed form or the return of income are filed after the due date specified under section 139(1) of the Act. Accordingly, the AO observed that the Form-10 filed in the case of the present assessee would not be applicable as the same was furnished on 25/09/2017, i.e., after the due date specified under section 139(1) of the Act. The AO based on his aforesaid observations held the excess accumulation to the tune of Rs.6,74,111/- and the capital expenditure to the tune of Rs.2,58,570/- to be included in the income of the assessee Trust as per the provisions of section 13(9) of the Act, wherein the provisions of section 11 & 12 would

not apply to the income referred as anonymous donations, as discussed in point (2) of the assessment order.

4. Apart from that, the AO observed that the gross income of the assessee Trust during the subject year amounted to Rs.11,78,000/-. As the assessee Trust is stated to have failed to file the complete details of the donations and had only filed the copies of the donation receipts which referred to the date of donation, amount of donation and the name of the donor, therefore, the AO held the amount of donations of Rs.11,78,000/- as anonymous donations as per section 115BBC of the Act for the following reasons:

- i) “The provisions of sub-section (3) to section 115BBC holds that the anonymous donation means any voluntary contributions referred to in section 2(24)(iiia) of the IT Act and in the instant case the amount of Rs 11,78,000/- are absolutely the donations/ contributions obtained by the Trust during the year under consideration.
- ii) The assessee is a Trust claiming exemption u/s 11 of the IT Act which would fall under the ambit of provisions of section 115BBC(1) of the Act.
- iii) It is noticed from the information submitted that the objects and the activities of the Trust are purely charitable in nature wherein the provisions of sub-section (2) of section 115BBC of the Act would not apply.
- iv) Conclusively, the assessee has submitted that donation receipts maintained by the Trust recording the donations obtained, wherein the complete details recording the identity of the donor were not available and only the name of the donor was available. In this regard the assessee was extended an opportunity to furnish the complete details of the donor where his/her identity is recorded indicating the name and address of the donor. Further, there was no response from the Trust Merely furnishing the copies of donation receipts containing

names of donors does not satisfy the conditions laid down in section 115BBC(3) of the Act. The sub-section (3) of section 115BBC has explained the meaning of anonymous donation clearly that such institution is required to maintain records of identity indicating the names and addresses of the persons making the donations or contributions.”

Accordingly, the AO based on his aforesaid observations, assessed the income of the assessee Trust at Rs.11,78,000/-.

5. Aggrieved, the assessee Trust carried the matter in appeal before the CIT(A) but without success. For the sake of clarity, the observations of the CIT(A) are culled out as under:

“The appellant is a trust established under Trust Act for promotion of charitable activities and is registered under Section 12AA of I.T. Act. The appellant had filed its Return of Income for the Assessment Year 2016-17 on 18.09.2016, disclosing an income of Rs. Nil, after claiming exemption of Rs. 11,78,000/- u/s 11 of the I.T. Act. The issue on this appeal pertains to addition of Rs. 11,78,000/- as anonymous donation and brought to tax u/s. 115BBC of the IT Act.

The appellant filed Form 10 belatedly on 28.09.2017. The Exemption u/s 11(2) claim amounting to Rs. 11,78,000/- was denied to the appellant as form 10 was not filed by the appellant within the due date along with return of income filed for the AY 2016-17. Since the power of condonation of delay in filing form 10 vested only with CIT (Exemption) and not with Addl.CIT (Appeals). Hence, the appeal of the appellant is dismissed.

The total income of the trust is obtained from the donations from the donors.

AO asked the complete details of the donors. Appellant submitted the receipts copies which only contains date, amount and name of the donors. But the identity of donor was not proved, address was not there in the receipt. This shows appellant trust was not maintaining records of donors. Hence, the addition of Rs. 11,78,000/- admitted as donations were treated as anonymous donations u/s 115BBC was rightly made. Considering the above facts addition made by the AO is upheld and appeal of the assessee is dismissed.

Conclusion: In the result, the appeal is dismissed.”

6. The assessee Trust aggrieved with the order of the CIT(A) has carried the matter in appeal before us.

7. We have heard the Learned Authorized Representatives of both parties, perused the orders of the lower authorities and the material available on record, as well as considered the judicial pronouncements that have been pressed into service by the Ld. AR to drive home his contentions.

8. Shri KA Sai Prasad, CA, Learned Authorized Representative (for short, "Ld. AR") for the assessee at the threshold of hearing of the appeal, submitted that the application filed by the assessee Trust under section 119(2)(b) of the Act, dated 13/08/2019 requesting for condonation of delay in filing Form-10 for the AY 2016-17 had been allowed by the Commissioner of Income Tax (Exemptions), Andhra Pradesh, Telangana & Odisha vide his order dated 25/05/2020. The Ld.AR has filed before us the copy of the aforesaid order of the CIT(Exemptions), Andhra Pradesh, Telangana & Odisha, dated 25/05/2020 as an additional evidence seeking liberty for admission of the same.

9. Apropos, the addition of Rs.11,78,000/- (supra) received by the assessee Trust during the subject year, the Ld.AR submitted that as the Chairman of the assessee Trust had met with an accident and was

hospitalized, therefore, the requisite details as were called for by the AO could not be filed at the relevant point of time. Elaborating further on his contention, the Ld. AR submitted that an application has been filed seeking admission of the “donor’s details register” as additional evidence wherein the complete details of the donors along with their addresses and PANs are mentioned. The Ld. AR submitted that the aforesaid additional evidence in all fairness and in the interest of justice be admitted.

10. Per contra, Shri K. Vamsi Krishna, Learned Senior Departmental Representative (for short, “Ld. Sr-DR”) relied upon the orders of the authorities below.

11. We have given a thoughtful consideration and find substance in the Ld. AR’s contention that there were justifiable reasons as to why the aforesaid “donor’s details register” could not be filed in the course of the proceedings before the AO. However, we find that though the assessee had filed the said register in the course of the proceedings before the CIT(A) with a request for admission of the same, but there is no whisper about the same in the body of his order. The Ld. AR to buttress his contention that the aforesaid details were filed in the course of the proceedings before the CIT(A), had drawn our attention to the reply/documents that were filed in the course of the proceedings before

the CIT(A), Page Nos.1-2 of the APB, which supported his aforesaid claim.

12. We have given a thoughtful consideration and are of the firm conviction that as the order passed by the CIT(Exemptions), Andhra Pradesh, Telangana & Odisha, dated 20/05/2020 condoning the delay in filing Form-10 for the subject year, i.e., AY 2016-17 was not there before the AO, therefore, the matter in all fairness requires to be restored to his file with a direction to readjudicate the issue of excess accumulation to the tune of Rs.6,74,111/- and capital expenditure to the tune of Rs.2,58,570/- in the backdrop of the same.

13. Also, as the CIT(A) had failed to consider the “donor’s details register” that was filed by the assessee Trust in the course of the proceedings before him vide its reply, dated 01/10/2024, therefore, the AO is directed to readjudicate the addition of Rs.11,78,000/- of anonymous donations made by him in the backdrop of the aforesaid details as had been filed by the assessee Trust. We thus, set aside the matter to the file of the AO in terms of our aforesaid observations.

14. In the result, appeal filed by the assessee Trust is partly allowed in terms of our aforesaid observations.

Order pronounced in the open court on 20th February, 2026.

Sd/- (MANJUNATHA G.) ACCOUNTANT MEMBER	Sd/- (RAVISH SOOD) JUDICIAL MEMBER
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Hyderabad,

Dated 20th February, 2026.

***OKK / SPS**

Copy to:

S.No	Addresses
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2	Income Tax Officer (Exemption) Ward-Tirupati, O/o. ITO Exemptions, Near SBI Tilak Road Branch, KT Road, Tirupati, Andhra Pradesh-517507.
3	The Pr. CIT, Tirupati.
4	The DR, ITAT Hyderabad Benches
5	Guard File

By Order

Sr. Private Secretary,
ITAT, Hyderabad.

